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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In Re:
James X. Rezabala and Erika M. Penachi,

Debtors.

Case No.: 19-25396 (VFP)

Chapter: 7

Judge: Vincent F. Papalia

NOTICE OF PROPOSED COMPROMISE or SETTLEMENT OF CONTROVERSY

Steven P. Kartzman, Chapter 7 Trustee, in this case proposes a compromise, or to settle a claim and/or action as described below. If you object to the settlement or compromise, you must file a written objection with the Clerk of the United States Bankruptcy Court, and serve it on the person named below not later 7 days before the hearing date.

<p>Address of the Clerk: Jeanne A. Naughton, Clerk Martin Luther King Jr. Federal Building 50 Walnut Street, P.O. Box 1352 Newark, New Jersey 07102</p>

If an objection is filed, a hearing will be held before the Honorable Vincent F. Papalia on February 22, 2023 at 10:00 a.m. at the United States Bankruptcy Court, Courtroom No. 3B, Martin Luther King Jr. Federal Building, 50 Walnut Street, Newark, New Jersey (hearing to be scheduled for at least 28 days from the date of the filing of the notice). If no objection is filed, the clerk will enter a *Certification of No Objection* and the settlement may be completed as proposed.

<p>Nature of action: On her bankruptcy petition, Penachi listed the value of her 2009 Toyota Sienna at \$5,327 and utilized an 11 U.S.C. § 522(d)(2) exemption of \$4,000, resulting in non-exempt equity of \$1,327 (the “Automobile”). Penachi also received a tax refund for the tax year 2018 of \$2,747 (the “Tax Refund”). In order to fully exempt the Automobile and the Tax Refund, Penachi required use of her 11 U.S.C. § 522(d)(5) exemption in the sum of \$4,074. Penachi previously claimed \$13,900 of her 11 U.S.C. § 522(d)(5) exemption against her interest in 3365 Kennedy Blvd., Jersey City, NJ (the “Property”). Therefore, Penachi needed to allocate \$4,074 of her 11 U.S.C. § 522(d)(5) exemption to her Automobile and Tax Refund leaving \$9,826 of her 11 U.S.C. § 522(d)(5) exemption against the Property. James X. Rezabala did not need to use his 11 U.S.C. § 522(d)(5) exemption, which left him with a full 11 U.S.C. § 522(d)(1) exemption against the Property.</p>

<p>Pertinent terms of settlement: James X. Rezabala (“Rezabala”) shall be allowed an exemption claim of \$25,150.00 pursuant to 11 U.S.C. § 522(d)(1) against the Property. Erika M. Penachi (“Penachi”) shall be allowed an exemption claim of \$9,826 pursuant to 11 U.S.C. § 522(d)(5) against the Property.</p>

Objections must be served on, and requests for additional information directed to:

Name: Steven A. Jayson, Esq., Mellinger Kartzman LLC

Address: 101 Gibraltar Drive, Suite 2F, Morris Plains, New Jersey 07950

Telephone No.: (973) 267-0220